

**CITY OF BISMARCK POLICE**  
**PERFORMANCE REPORT FOR OCTOBER 2001**

12/5/2001

	Assets as of October 31, 2001			*RATES OF TOTAL RETURN						
	EMV \$(000)	Actual Alloc	Policy Alloc	Month Ended (preliminary) Oct-01	Sep-01	Quarter Ended Jun-01    Mar-01    Dec-00			2002 FYTD	YR Ended 6/30/2001
LARGE CAP EQUITY										
Structured Growth										
Alliance Capital Management	238	2.3%	2.6%	5.52%	-20.69%	10.03%	-20.32%	-16.57%	-16.31%	-28.08%
RUSSELL 1000 GROWTH				5.25%	-19.41%	8.42%	-20.90%	-21.35%	-15.18%	-36.18%
Structured Value										
LSV	288	2.7%	2.6%	-1.82%	-8.79%	8.10%	-0.19%	7.21%	-10.45%	28.93%
RUSSELL 1000 VALUE				-0.86%	-10.95%	4.88%	-5.86%	3.60%	-11.72%	3.84%
Enhanced S&P Index (1)										
Northern Trust Global Investments	494	4.7%	5.1%	1.81%	-14.35%	5.69%	-11.46%	-8.41%	-12.80%	N/A
Strong Capital	502	4.7%	5.1%	1.77%	-15.98%	3.71%	-9.66%	-7.84%	-14.49%	N/A
Westridge Capital	567	5.4%	5.1%	2.02%	-14.60%	5.60%	-10.86%	-7.16%	-12.87%	N/A
Total Enhanced S&P Index	1,562	14.8%	15.4%	1.88%	-14.96%	5.02%	-11.43%	-7.79%	-13.36%	N/A
S&P 500				1.91%	-14.68%	5.85%	-11.86%	-7.82%	-13.05%	N/A
Enhanced Russell 1000 Index (1)										
Wilshire	501	4.7%	5.1%	1.65%	-15.41%	6.52%	-12.21%	-7.99%	-14.01%	N/A
RUSSELL 1000				2.08%	-15.23%	6.31%	-12.57%	-9.15%	-13.47%	N/A
S&P 500 Index										
State Street - S&P 500 Index	855	8.1%	8.6%	1.91%	-14.68%	5.85%	-11.86%	-7.79%	-13.05%	-14.75%
S&P 500				1.91%	-14.68%	5.85%	-11.86%	-7.82%	-13.05%	-14.83%
TOTAL LARGE CAP EQUITY	3,444	32.6%	34.3%	1.77%	-14.80%	6.06%	-11.10%	-7.37%	-13.29%	-11.52%
S&P 500				1.91%	-14.68%	5.85%	-11.86%	-7.82%	-13.05%	-14.83%
SMALL CAP EQUITY (2)										
SEI	1,072	10.1%	10.7%	4.60%	-20.04%	N/A	N/A	N/A	-16.36%	N/A
RUSSELL 2000 + 200 bp				6.02%	-20.29%	14.79%	N/A	N/A	-15.49%	N/A
TOTAL SMALL CAP EQUITY	1,072	10.1%	10.7%	4.60%	-20.02%	-5.80%	-6.44%	-8.28%	-16.34%	1.69%
RUSSELL 2000				5.85%	-20.79%	14.29%	-6.51%	-6.91%	-16.15%	0.57%
INTERNATIONAL EQUITY										
Intl Core										
State Street	281	2.7%	2.8%	2.59%	-15.06%	0.60%	-10.23%	-3.17%	-12.86%	-17.93%
MSCI 50% HEDGED EAFE INDEX				3.19%	-16.41%	0.15%	-10.44%	-3.47%	-13.74%	-17.95%
Intl Active										
Capital Guardian	275	2.6%	2.8%	4.98%	-17.26%	0.85%	-9.61%	-6.11%	-13.14%	-20.14%
MSCI 50% HEDGED EAFE INDEX				3.19%	-16.41%	0.15%	-10.44%	-3.47%	-13.74%	-17.95%
TOTAL INTERNATIONAL EQUITY	556	5.3%	5.5%	3.77%	-16.14%	0.72%	-9.66%	-4.64%	-12.98%	-18.81%
MSCI 50% HEDGED EAFE INDEX				3.19%	-16.41%	0.15%	-10.44%	-3.47%	-13.74%	-17.95%
EMERGING MARKETS										
Value - Active - Commingled										
Capital Guardian	175	1.7%	2.0%	7.27%	-24.96%	6.98%	-7.44%	-16.15%	-19.50%	-29.31%
MSCI EMERGING MKTS FREE INDEX				6.21%	-21.60%	3.90%	-5.46%	-13.32%	-16.73%	-25.93%
DOMESTIC FIXED INCOME										
Core Bond										
Western Asset	613	5.8%	4.9%	2.73%	4.75%	1.37%	3.64%	4.08%	7.61%	13.40%
LB AGGREGATE				2.09%	4.61%	0.56%	3.03%	4.21%	6.80%	11.22%
Active Duration										
Criterion	593	5.6%	4.9%	2.12%	3.28%	0.67%	2.67%	5.23%	5.47%	12.34%
LB AGGREGATE				2.09%	4.61%	0.56%	3.03%	4.21%	6.80%	11.22%
Index										
Bank of North Dakota	731	6.9%		2.57%	5.01%	0.04%	3.29%	4.60%	7.71%	11.04%
BND (Match Loan Program)	113	1.1%		0.49%	1.43%	1.45%	1.43%	1.44%	1.93%	5.89%
Total Bank of North Dakota	844	8.0%	7.5%	2.11%	4.19%	0.37%	2.83%	3.86%	6.38%	9.79%
LB GOV/CORP				2.54%	4.76%	0.30%	3.20%	4.37%	7.42%	11.13%

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					Sep-01	Jun-01	Mar-01	Dec-00		
Core										
Strong Capital	698	6.6%	4.9%	2.12%	4.04%	1.17%	4.74%	3.42%	6.25%	13.45%
LB BAA BOND INDEX				2.50%	3.59%	0.79%	0.59%	1.53%	6.18%	6.00%
Convertibles										
TCW	556	5.3%	4.9%	3.16%	-16.04%	4.87%	-9.69%	-13.21%	-13.39%	-13.58%
1ST BOSTON CONVERTIBLE INDEX				2.49%	-11.01%	4.12%	-6.24%	-12.31%	-8.79%	-11.87%
Timberland										
Wachovia	162	1.5%	2.8%	N/A	N/A	N/A	N/A	N/A	N/A	N/A
<b>TOTAL DOM FIXED INCOME</b>	<b>3,466</b>	<b>32.8%</b>	<b>30.0%</b>	<b>2.39%</b>	<b>0.42%</b>	<b>1.55%</b>	<b>1.02%</b>	<b>0.61%</b>	<b>2.82%</b>	<b>6.87%</b>
LB AGGREGATE				2.09%	4.61%	0.56%	3.03%	4.21%	6.80%	11.22%
HIGH YIELD BONDS										
Western Asset	500	4.7%	5.0%	2.30%	-4.41%	-1.75%	3.88%	-5.57%	-2.21%	-4.46%
LB HIGH YIELD BOND INDEX				2.47%	-4.23%	-2.29%	6.36%	-5.24%	-1.87%	-0.96%
INTERNATIONAL FIXED INCOME										
Intl Core										
Brinson	521	4.9%	4.5%	0.62%	7.80%	-2.51%	-5.37%	5.73%	8.47%	-7.58%
SALOMON NON-US GOV'T BOND				0.16%	7.75%	-1.97%	-4.90%	4.00%	7.92%	-7.43%
REAL ESTATE (3)										
J.P. Morgan	580	5.5%	5.0%	0.49%	1.47%	2.41%	1.91%	3.24%	1.96%	10.27%
NCREIF PROPERTY INDEX				0.58%	1.75%	2.26%	2.28%	3.23%	2.34%	11.15%
PRIVATE EQUITY (3)										
Coral Partners V	85	0.8%		-12.97%	-34.09%	-1.35%	-1.54%	23.35%	-42.64%	19.29%
Coral Partners Supplemental V	3	0.0%		N/A	N/A	N/A	N/A	N/A	N/A	N/A
Brinson 1998 Partnership Fund	17	0.2%		-1.18%	-3.49%	-11.40%	-7.87%	7.46%	-4.63%	-3.63%
Brinson 1999 Partnership Fund	22	0.2%		-0.44%	-1.32%	-7.40%	-5.26%	4.53%	-1.76%	-4.36%
Brinson 2000 Partnership Fund	27	0.3%		-0.17%	-0.50%	-2.89%	-1.42%	6.03%	-0.67%	2.74%
Brinson 2001 Partnership Fund	4	0.0%		-0.04%	-0.12%	1.13%	0.02%	N/A	-0.16%	N/A
Brinson 1999 Non-US Partnership Fund	7	0.1%		-0.66%	-1.98%	-3.16%	2.55%	-2.64%	-2.63%	2.24%
Brinson 2000 Non-US Partnership Fund	5	0.0%		-0.66%	-1.98%	-3.50%	-0.37%	-2.36%	-2.63%	-7.03%
Brinson 2001 Non-US Partnership Fund	2	0.0%		0.22%	0.66%	0.66%	N/A	N/A	0.88%	N/A
Brinson BVCF IV	43	0.4%		-3.89%	-11.21%	-3.31%	-3.49%	-5.23%	-14.66%	-11.46%
Hearthstone	20	0.2%		0.97%	2.94%	8.16%	0.00%	0.01%	3.94%	8.17%
<b>TOTAL PRIVATE EQUITY</b>	<b>235</b>	<b>2.2%</b>	<b>3.0%</b>	<b>-5.67%</b>	<b>-16.05%</b>	<b>-2.41%</b>	<b>-2.40%</b>	<b>11.85%</b>	<b>-20.81%</b>	<b>8.06%</b>
POST VENTURE CAPITAL INDEX				-13.66%	-35.63%	23.87%	-31.48%	-38.61%	-44.42%	-48.23%
CASH EQUIVALENTS										
TNT Short Term Extendable Portfolio	12	0.1%	0.0%	0.16%	1.03%	1.34%	1.27%	1.70%	1.19%	5.91%
90 DAY T-BILLS				0.26%	1.08%	1.12%	1.51%	1.63%	1.34%	5.90%
<b>TOTAL FUND</b>	<b>10,560</b>	<b>100.0%</b>	<b>100.0%</b>	<b>2.03%</b>	<b>-8.21%</b>	<b>4.03%</b>	<b>-4.63%</b>	<b>-3.41%</b>	<b>-6.35%</b>	<b>-3.41%</b>
POLICY TARGET BENCHMARK				1.96%	-8.05%	4.42%	-5.27%	-3.69%	-6.25%	-4.65%
TOTAL VALUE ADDED DUE TO										
Asset Mix				0.01%	1.26%	0.00%	0.44%	-0.02%	1.27%	0.53%
Active Management				0.06%	-1.42%	-0.38%	0.24%	0.31%	-1.35%	0.76%
<b>Total Value Added</b>				<b>0.07%</b>	<b>-0.16%</b>	<b>-0.37%</b>	<b>0.68%</b>	<b>0.29%</b>	<b>-0.08%</b>	<b>1.30%</b>

(1) Funded between July 25 and August 1, 2000.

(2) Brinson and Nicholas-Applegate were terminated and SEI hired May 18, 2001 with a transition of assets occurring during the month of June.

(3) Monthly returns estimated based on quarters' returns.

**\*NOTE:**

Monthly returns and market values are preliminary and subject to change.  
Returns are net of investment management fees.